

No. 13-1146

IN THE
Supreme Court of the United States

KINGDOM OF SAUDI ARABIA AND SAUDI HIGH
COMMISSION FOR RELIEF OF BOSNIA & HERZEGOVINA,
Petitioners,
v.
FEDERAL INSURANCE COMPANY, *et al.*,
Respondents.

**On Petition for a Writ of Certiorari
to the United States Court of Appeals
for the Second Circuit**

BRIEF IN OPPOSITION

STEPHEN A. COZEN
ELLIOTT R. FELDMAN
SEAN P. CARTER
J. SCOTT TARBUTTON
COZEN O'CONNOR
1900 Market Street
Philadelphia, PA 19103
(215) 665-2000

CARTER G. PHILLIPS*
RICHARD KLINGLER
JACQUELINE G. COOPER
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, D.C. 20005
(202) 736-8000
cphillips@sidley.com

Counsel for the Federal Insurance Respondents
May 21, 2014 * Counsel of Record
[Additional Counsel on Inside Cover]

ANDREA BIERSTEIN
HANLY CONROY
BIERSTEIN SHERIDAN
FISHER & HAYES, LLP
112 Madison Avenue
7th Floor
New York, NY 10016
(212) 784-6400

JODI WESTBROOK FLOWERS
MICHAEL E. ELSNER
ROBERT T. HAEFELE
JOHN M. EUBANKS
MOTLEY RICE LLC
28 Bridgeside Boulevard
Mount Pleasant, SC 29464
(843) 216-9000

*Counsel for the EuroBrokers and
Burnett Respondents*

JERRY S. GOLDMAN
ANDERSON KILL P.C.
1251 Avenue of the
Americas
New York, NY 10020
(212) 278-1000

CHRIS LEONARDO
ADAMS HOLCOMB LLP
1875 Eye Street N.W.
Suite 810
Washington, D.C. 20006
(202) 580-8820

*Counsel for the O'Neill
Respondents*

*Counsel for the Cantor
Fitzgerald Respondents*

ROBERT M. KAPLAN
FERBER CHAN ESSNER &
COLLER, LLP
530 Fifth Avenue
23rd Floor
New York, NY 10036
(212) 944-2200

*Counsel for the
Continental Respondents*

only provided significant money and aid to the suicide hijackers but also allowed potentially hundreds of millions of dollars to flow to Al Qaeda and other terrorist groups through suspect charities and other fronts, according to sources familiar with the document”); Risen & Firestone, *Report on 9/11 Suggests a Role by Saudi Spies*, N.Y. Times, Aug. 2, 2003, <http://www.nytimes.com/2003/08/02/us/report-on-9-11-suggests-a-role-by-saudi-spies.html>; Graham, *Intelligence Matters: The CIA, the FBI, Saudi Arabia, and the Failure of America’s War on Terror* 11-13, 18-21, 24-25, 167-69 (2004).

b. *Support to al-Qaeda from the Saudi government’s “charities”*: Plaintiffs also based their claims against the Kingdom on the attributable conduct of ostensible “charities” that functioned as elements of the Saudi government. These “charities” collaborated closely with al-Qaeda, providing not only the bulk of the funding needed to build and sustain bin Laden’s terrorist organization but also other forms of material support. Branch offices of these charities throughout the world were fully integrated into al-Qaeda’s support infrastructure, and senior al-Qaeda members were in several instances appointed by the Kingdom to senior roles in those charities. The allegations related particularly to the terrorist activities of SHC, International Islamic Relief Organization (“IIRO”), Muslim World League (“MWL”), Saudi Joint Relief Committee for Kosovo and Chechnya (“SJRC”), Saudi Red Crescent Society (“SRC”), al Haramain Islamic Foundation (“al Haramain”), World Assembly of Muslim Youth (“WAMY”), and Rabita Trust.

Plaintiffs’ pleadings and record submissions supported the conclusions that each of those “charities” acted as an agent and alter-ego of the Kingdom and that Saudi Arabia knowingly provided

material support to al-Qaeda through those and other agents. C.A. App. 1208-42, 1278-84, 1855-63. Senior Saudi officials often directed the actions of the “charities,” and submissions by the “charities” themselves in this and other cases make clear their direct link to the Kingdom. For example, a senior Saudi official affirmed in proceedings below that “[t]he Saudi High Commission is an arm of the Saudi Arabian government. Actions taken by the Saudi High Commission may be viewed as actions of the government of Saudi Arabia.” R.141-5 ¶ 3. Saudi officials similarly affirmed that the Saudi government “sponsors and supervises the Saudi Red Crescent, and appoints its directors,” and that the SJRC “has always functioned as a political subdivision, agency, or instrumentality of the Kingdom of Saudi Arabia.” R.99-2 ¶ 4; R.631-3 ¶ 2. The MWL and IIRO similarly admitted in their answers below that they are “instrumentalit[ies] of government of the Kingdom of Saudi Arabia,” R.1548 at 66; R.346 at 66. (Of these two organizations, a U.S. government official flatly asserted in a judicial filing that “terrorists who have attacked or tried to attack the United States around the world have been associated with MWL/IIRO.”²). Al Haramain admitted that it “operates under the supervision of the Saudi Minister of Islamic Affairs, who appoints the Board of Directors and senior management personnel.”³ WAMY likewise asserted that “[t]he current president of WAMY is the

² Declaration in Support of Pre-Trial Detention at 3, *United States v. Biheiri*, No. 03-365-A (E.D. Va. Sept. 4, 2003) (declaration of Senior Special Agent David Kane).

³ Declaration of Khalid Eid al Dhahiri, Supervisor of Financial Affairs of the al Haramain Islamic Foundation, ¶ 2, *Burnett v. Al Baraka*, No. 1:02-cv-01616-JR (D.D.C. Jan. 4, 2003) (Doc. 110-15).